

## **AN ACT TO FACILITATE THE GROWTH OF INNOVATIVE FOOD ENTERPRISES IN THE COMMONWEALTH**

**SECTION 1.** Chapter 20 of the General Laws is hereby amended by inserting after section 32 the following section:-

Section 33. (a) For purposes of this section, the following words and phrases shall have the following meanings:-

“Department”, the department of agricultural resources.

“Fund”, the Food Innovation Trust Fund established by subsection (b).

“Funding”, grants, or loans, or a combination of grants and loans.

“Local food enterprise”, any business, for-profit or not-for-profit, that maintains a primary headquarters in the commonwealth and whose purpose involves the production of food within this commonwealth, or the creation of distribution networks for food within this commonwealth or both.

“Food opportunity area”, a community, or sections of a community of low and moderate income, where the growth of food enterprises would create jobs, attract investment or provide greater access to foods produced in the commonwealth for local residents of low and moderate income.

“Program”, a public-private partnership established to provide a dedicated source of financing for food entrepreneurs in the commonwealth and that pledges to create and retain jobs in the commonwealth.

(b) There shall be within the department a separate fund to be known as the Food Innovation Trust Fund. The department shall administer the fund for the purpose of providing a dedicated source of financing for local food and farming entrepreneurs, particularly those operating in or serving distressed communities in the commonwealth, both urban and rural. The fund shall be an expendable trust fund and shall be subject to appropriation.

(c) There shall be credited to the fund, revenue from appropriations or other monies authorized by the general court and specifically designated for the fund and any gifts, grants, private contributions, repayment of loans, fees and charges imposed relative to the making of loans or grants, subsidies, credit enhancements and other financial assistance, investment income earned on the fund's assets and any other sources. Money remaining in the fund at the end of a fiscal year shall not revert to the General Fund.

(d) The fund shall finance food innovation grants and other financial assistance to local food enterprises.

(e) The department shall establish a competitive grant program to be awarded to local food enterprises and shall maintain a reasonable balance of large, medium and small scale project awards. Activities eligible for assistance from the fund shall include, but not be limited to:

(1) New construction and renovation for food innovation projects which shall include, but not be limited to: (A) community kitchens; (B) food truck commissaries; (C) indoor and outdoor greenhouses; (D) winter and year-round farmers markets; (E) infrastructure for urban and rural based Community Supported Agriculture businesses; and (F) working capital for said projects, which shall include, but not be limited to; equipment and furnishings, workforce training, security and certain pre-development costs.

(2) Creation of retail, restaurant and supporting food distribution hub options in such food opportunity areas as approved by the department. Applicants for projects within said areas shall demonstrate a meaningful commitment to sell fresh, local products, according to the rules and regulations established by the department.

(f) The department may enter into external partnerships to: (i) raise matching funds, (ii) market the program, (iii) evaluate applicants, (iv) make award decisions, (v) underwrite loans, and (vi) monitor compliance and impact.

(g) The department shall promulgate regulations for the implementation, administration and enforcement of this section, including, but not limited to:

(1) setting a measurable standard that deems an applicant has demonstrated a meaningful commitment to sell fresh, local products;

(2) matching funds by other sources; such as federal or municipal government, private sector or foundation commitments, crowdfunding campaigns and related efforts;

(3) funding priority based on a reasonable balance of large, medium and small projects.

(h) The department shall annually file a report with the house and senate committees on ways and means, the joint committee on environment, natural resources and agriculture and the house and senate committees on bonding, capital expenditures and state assets which shall detail all expenditures from the fund, including, but not limited to, the recipient of the funds, the cost of administration, the number of jobs created and tax revenues generated.